

Barbara Corcoran
Mentions Tallahassee
On Shark Tank



RESOURCES

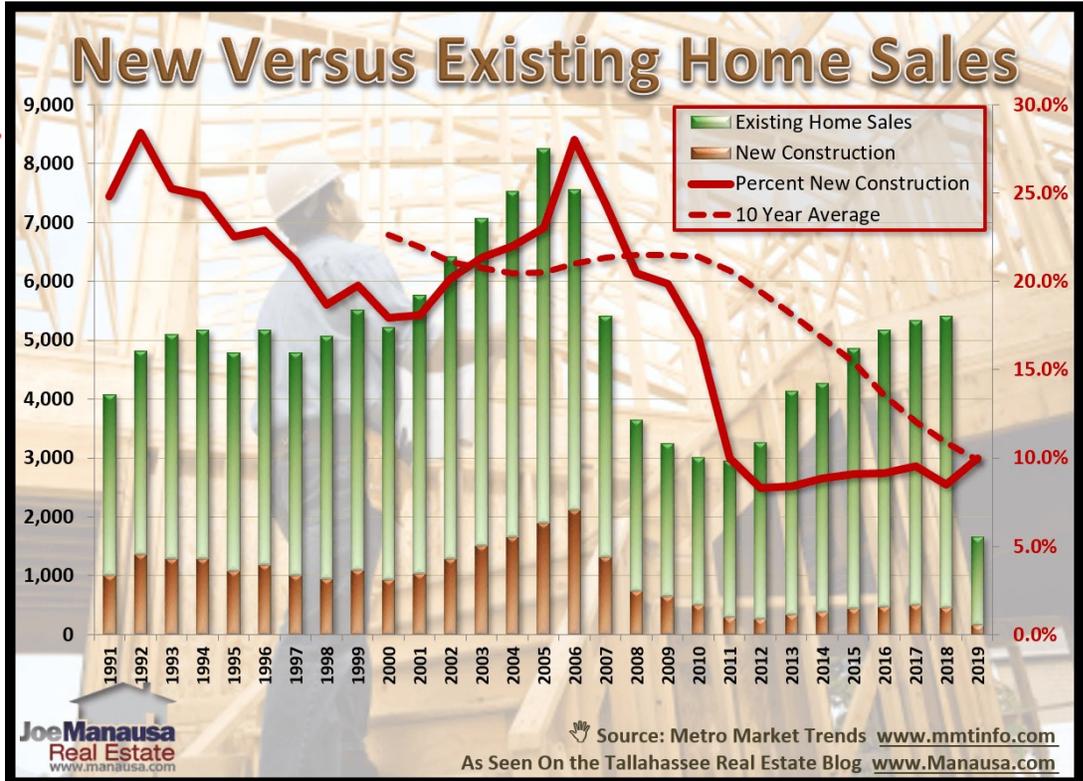
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New Home Sales Rising From Bottom



Ask any homebuilder, the past ten years have been tough. When the market collapsed, the collective question among them was “when will things get back to normal.”

My answer ten years ago was that we had a long way to go. Tallahassee was grossly over-built and over-developed for residential lots that the recovery was likely going to take us into the early 20s for supply and demand to stabilize. My forecast was not well-received by the women and men who build homes for a living.

But here we are, on the doorstep of the next decade and new home sales remain at a historically low level. The graph above shows that new home sales are the best we have seen (as a percentage of the total housing market),

yet that level is less than half of the “normal” that homebuilders long for.

Housing Market: New Homes Share

Here’s what a historical analysis of home sales tells us about the percentage of new homes versus the entire market:

- **1990s: 23.1%** (~ 1 in 4 homes sold)
- **2000s: 21.5%** (~ 1 in 5 homes sold)
- **2010s: 9.9%** (~ 1 in 10 homes sold)

Has the turn begun?

This year, new home sales are up 20% over the same period last year, so right now things are looking up for home builders. The supply of [homes for sale](#) at lower price ranges remains low, so I’m optimistic that this growth can continue upwards so long as home builders monitor and respect market demand.